

CITY OF NATIONAL CITY

Proposition S

(This proposition will appear on the ballot in the following form.)

PROP S

Shall the City of National City be authorized to issue general obligation bonds up to a maximum principal amount of \$12,330,000 to acquire and construct new public safety facilities, and to modernize existing public safety facilities?

This proposition requires approval by two-thirds of the voters.

**Full text of this proposition
follows the argument.**

TAX RATE STATEMENT

The City Council of the City of National City has submitted to the voters of the City a proposition to authorize the City to incur bonded indebtedness in the amount of \$12.33 million for the acquisition, construction and improvement of certain public safety facilities.

The City expects to issue the bonds in three issuances beginning in mid 2005. When the first series of bonds are issued, the estimated marginal tax rate that would be required in the first fiscal year after the sale of the bonds is estimated at \$0.0133 per \$100 of assessed valuation and is expected to occur in 2005/06. On \$100,000 assessed valuation the impact would be \$13.30 annually.

After the second series of bonds are issued, the highest tax rate that would be required to fund the bond issue is \$0.0115 and is expected to occur in 2007/08. On \$100,000 assessed valuation the impact would be \$11.50 annually.

After the third series and all the bonds are issued, the total estimated interest paid over the life of the loan would be \$12,174,728.00. The marginal tax rate to support debt service for the first year following the last sale of the bonds is estimated to be \$0.0095 per \$100 of assessed valuation. The impact on \$100,000 of assessed valuation would be \$9.50 annually.

The foregoing information is based on projections and estimates only, which are not binding on the City. The actual timing of the sale of said bonds and the amount sold at any given time will be governed by the needs of the City, the then applicable state of the bond market, and other factors. The actual interest rate on the bonds will depend upon the bond market at the time of sale. The actual future assessed values will depend upon the then amounts of taxable property within the City and the value thereof as determined by the County Assessor. Hence, the actual tax rates and the years in which the same are applicable may vary from those currently estimated.

The foregoing statement has been approved by and is submitted by order of the City Council of the City of National City.

GEORGE HOOD
City Treasurer
City of National City

CITY ATTORNEY'S IMPARTIAL ANALYSIS

The California Constitution authorizes a city to issue general obligation bonds if approved by a 2/3 affirmative vote of those persons actually voting on the bond measure. The city then pays off the general obligation bonds with revenues obtained from a property tax levied against all taxable parcels of real property, including residential, commercial and industrial, within the city. Currently, the City has approximately \$6 Million of general obligation bond debt, which was approved by the voters in 2002 to finance a portion of the construction of a new National City Public Library and related improvements.

The City of National City proposes to issue up to \$12,330,000 in general obligation bonds to pay for the costs of acquisition and construction of new public safety facilities, as well as the modernization of existing public safety facilities. The proceeds of the bonds are planned to be used to build a combined fire and police public safety facility in the eastern part of the City, build a third fire station, remodel an existing fire station, and establish store front police facilities.

General obligation bonds are typically the most cost effective bonds a city can issue. The City Council has determined that the highest rate of interest shall not exceed 8% per year. In the present market, the interest rate for 30-year bonds is averaging approximately 5%. The actual interest rate on the bonds will depend upon the bond market at the time of sale.

The City expects to issue the bonds in three series beginning in mid-2005. When the first series of bonds is issued, according to the estimates set forth in the tax rate statement provided by the City Treasurer, the average cost for a property owner would be \$13.30 annually for every \$100,000 of assessed value for the 30-year life of the bond. After the second series of bonds are issued, the annual impact would be an additional \$11.50 for every \$100,000 of assessed value. After the third and final series of bonds are issued, the annual impact would be an additional \$9.50 for every \$100,000 of assessed value. The foregoing information is based on estimates. The actual future assessed values will depend upon the then amounts of taxable property within the City and the value thereof as determined by the County Assessor. Therefore, the actual tax rates and the years in which the same are applicable may vary from those currently estimated.

GEORGE H. EISER, III
City Attorney
City of National City

ARGUMENT IN FAVOR OF PROPOSITION S

The City of National City is committed to establishing the best public safety environment in the county. To accomplish this goal, Measure S has been placed on the ballot which, if approved by the voters, authorizes the sale of up to \$12,330,000 in general obligation bonds which can only be used to pay the costs of acquisition and construction of new public safety facilities, and the modernization of existing public safety facilities.

For the cost of one lunch per month for the average homeowner, proceeds from Measure S would pay for construction of a combined fire and police public safety facility in the eastern part of the City, upgrading an existing fire station, establishing storefront police facilities on Highland Avenue and at Plaza Bonita to provide community services. These facilities will result in faster response times, a more visible public safety presence in neighborhoods, increase interaction between the community and its police officers and firefighters, reduce home and auto insurance rates, and provide increased fire and police protection to better serve the needs of our community.

In today's world, providing a high level of fire and police services is the most important task for city government to perform. Police Department statistics for calendar year 2003 show a total of 3,286 crimes committed against our residents and visitors to our City, including our senior citizens and young people. This number is unacceptable and must be addressed. The City is developing into a destination community for visitors and commerce. These new destination points will place additional strain on public safety resources.

We request your help to ensure that National City provides the best fire and police services in the county.

We urge you to vote "Yes" on Measure S.

NICK INZUNZA
Mayor

RON MORRISON
Councilmember

DR. ADOLFO GONZALES
Chief of Police

KEVIN KILLACKY, President
National City Firefighters' Association

DAVID GRANDE, President
National City Police Officers' Association

ARGUMENT AGAINST PROPOSITION S

No argument against the proposition was filed
in the office of the City Clerk.

FULL TEXT

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NATIONAL CITY AS FOLLOWS:

Section 1. That the following question shall be submitted to the voters of the City at the General Municipal Election to be held on November 2, 2004:

BONDS FOR PUBLIC SAFETY FACILITIES

Shall the City of National City be authorized to issue general obligation bonds up to a maximum principal amount of \$12,330,000 to acquire and construct new public safety facilities, and to modernize existing public safety facilities?	Yes
	No

Section 2. The object and purpose of incurring the indebtedness is to finance the costs of acquiring and constructing new public safety facilities, and to modernize existing public safety facilities. The foregoing improvements are referred to herein as the "Improvements". The City wishes to acquire and construct the Improvements because the present City public safety facilities are inadequate to serve the needs of the citizens of the City.

Section 3. The estimated cost of the Improvements is Twelve Million Three Hundred Thirty Thousand Dollars (\$12,330,000). The estimated cost includes legal and other fees and the cost of printing the bonds and other costs and expenses incidental to or connected with the authorization, issuance and sale of bonds (collectively, the "Bond Issuance Fees and Expenses").

Section 4. The amount of the principal of the indebtedness to be incurred is not to exceed Twelve Million Three Hundred Thirty Thousand Dollars (\$12,330,000).

Section 5. The maximum rate of interest to be paid on the indebtedness shall be eight percent (8%) per annum.

Section 6. This City Council does hereby submit to the qualified voters of the City, at said General Municipal Election, the proposition set forth in Section 1 hereof. The City proposes to acquire, construct and complete the Improvements, and to issue and sell General Obligation Bonds of the City pursuant to Article 1, commencing with Section 43600, of Chapter 4 of Division 4 of Title 4 of the California Government Code, in one or more series, in the maximum amount and for the objects and purposes set forth above, if two-thirds of all qualified voters voting on the proposition set forth above vote in favor thereof. The bonds are to be general obligations of the City, payable from and secured by taxes levied and collected in the manner prescribed by laws of the State of California. All of said bonds are to be equally and ratably secured, without priority, by the taxing power of the City.

ACCOUNTABILITY REQUIREMENTS

As required by Section 53410 of the Government Code, the following accountability measures are hereby made a part of the City of National City's Public Safety Facilities Bond Measure approved in the Ordinance (the "Measure"):

- The specific purpose of the bonds is to enable the City to acquire and construct new public safety facilities, and to modernize existing public safety facilities;
- The proceeds from the sale of the City's bonds will be used only for the purposes specified in the Measure, and not for any other purpose;
- The proceeds of the Bonds will be deposited into a Project Fund to be held by the City Treasurer; and
- The Treasurer of the City shall file an annual report with the City Council of the City, commencing not later than November 1, 2005, and annually thereafter, which report shall contain pertinent information regarding the amount of funds collected and expended, as well as the status of the public safety facilities specified in the Measure.

CITY OF NATIONAL CITY

Proposition T

(This proposition will appear on the ballot in the following form.)

PROP T

Shall an ordinance be adopted imposing a term limit of three consecutive terms for the Office of Mayor?

This proposition requires approval by a majority (over 50%) of the voters.

CITY ATTORNEY'S IMPARTIAL ANALYSIS

In National City, the Mayor is elected to a four year term by a majority of the voters voting on that Office. Currently, there is no limit upon the number of terms which an individual may serve as Mayor.

Section 36502(b) of the California Government Code authorizes a majority of the voters voting on the measure to impose a term limit on the Office of Mayor. If approved by the voters, the term limit can later be repealed only by a majority vote of those voting on the measure.

The proposed term limit measure would impose a limit of three consecutive terms on the Office of Mayor. An individual, after completing three consecutive terms as Mayor, would immediately be eligible to seek nomination and election as a member of the City Council. Said individual would be eligible to again seek nomination and election as Mayor after one election cycle (i.e., four years) following the completion of the third consecutive term as Mayor.

State law provides that in the event of a vacancy in the Office of Mayor, the vacancy may be filled by appointment by the City Council, or by the holding of a special election. Pursuant to the proposed term limit measure, any person appointed Mayor by the City Council for less than two years, or elected in a special election for the balance of a regular term of Mayor for less than two years, would thereafter be eligible to serve three consecutive full terms as Mayor.

If approved, the term limit would apply prospectively to full terms commencing after the November 2, 2004 election.

GEORGE H. EISER, III
City Attorney
City of National City

ARGUMENT IN FAVOR OF PROPOSITION T

No argument in favor of the proposition
was filed in the office of the City Clerk.

ARGUMENT AGAINST PROPOSITION T

No argument against the proposition
was filed in the office of the City Clerk.

FULL TEXT

THE CITY COUNCIL OF THE CITY OF NATIONAL CITY DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That pursuant to the requirements of the laws of the State of California relating to General Law Cities, the following question shall be submitted to the qualified voters of the city at the General Municipal Election to be held on November 2, 2004:

Shall an ordinance be adopted imposing a term limit of three consecutive terms for the Office of Mayor?	Yes	
	No	

Section 2. That the above proposed ordinance to be submitted to the voters is attached hereto as Exhibit "A" and incorporated herein by reference.

EXHIBIT "A"

**AN ORDINANCE OF THE PEOPLE OF
NATIONAL CITY AMENDING TITLE 2
OF THE NATIONAL CITY MUNICIPAL CODE BY
ADDING THERETO CHAPTER 2.72 PERTAINING
TO A TERM LIMIT FOR THE OFFICE OF MAYOR**

The People of the City of National City do ordain as follows:

Section 1. That Chapter 2.72 is hereby added to the National City Municipal Code, to read as follows:

Chapter 2.72

TERM LIMIT FOR THE OFFICE OF MAYOR

Sections:

2.72.010 Term limit for the office of Mayor

2.72.010 Term limit for the office of Mayor. No person shall be eligible for nomination and election to the office of Mayor for more than three (3) consecutive terms, and no person who has held the office of Mayor for three (3) consecutive terms, may again seek nomination and election to the office of Mayor until one (1) election cycle following the termination of the third term for Mayor has elapsed; provided, however, that any person who is appointed by the City Council to fill the office of Mayor or elected in a special election for the balance of a regular term of Mayor for a period of two (2) years or less may seek nomination and election for three (3) full terms thereafter. This Section shall apply prospectively to full terms commencing after the November 2, 2004 general municipal election.

PASSED and ADOPTED this 2nd day of November, 2004.